

KAI !GARIB MUNICIPALITY



**ORIGINAL BUDGET REPORT
MTREF 2019/2020**

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Glossary

Adjustments Budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital Expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

KPI's – Key Performance Indicators. Measures of service output and/or outcome.

MFMA – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

Net Assets – Net assets are the residual interest in the assets of the entity after deducting all its liabilities. This means the net assets of the municipality equates to the "net wealth" of the municipality, after all assets were sold/recovered and all liabilities paid. Transactions which do not meet the definition of Revenue or Expenses, such as increases in values of Property, Plant and Equipment where there is no inflow or outflow of resources are accounted for in Net Assets.

Operating Expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Vote – One of the main segments of a budget. The structure is for reporting requirements and links the accounting performance both to the IDP and to the responsible officials.

PART 1 - ANNUAL BUDGET

Section 1 - Mayor's Report

Introduction:

It is with great pleasure that I present the 2019/2020 Original Budget to the Council for consideration.

The application of sound financial management principles for the compilation of the Municipality financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers.

The budget tabled does not meet the requirements yet, however we strive towards a budget that complies with the latest budget regulations as well as the requirements of the National Treasury. The municipality continues to refine the budgeting processes, for which I must thank the Chief Financial Officer and his staff for the tremendous effort.

The reason for the tabling of a draft original budget is fully disclosed in the executive summary of the draft budget documentation. Unfortunately, I must report that the municipality is in a dire cash flow position and unless drastic measures, including full cooperation from the Council and the Management team, are being taken, the municipality's sustainability is in serious doubt.

Municipal Budget Circular for the 2019/20 MTREF (MFMA Circular No. 94) stated that municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts. Municipalities were also requested to pay particular attention to managing all revenue and cash streams effectively and carefully evaluate all spending decisions.

During the review of the financial status of the municipality undertaken in the drafting of the mid-year report, it became clear that further attention would have to be paid to managing the cash streams of the municipality more effectively and that all spending decisions will have to undergo even stricter evaluations to ensure that funds are spent only on necessities and that the spending is economic, efficient and effective.

The Municipality is currently faced with numerous financial problems which impact, amongst others, on its ability to meet its financial commitments and the provision of sustainable basic services. Given the urgency to ensure sustainable service delivery to communities and financial sustainability, the development and implementation of a Financial Recovery Plan ("the Plan") is seen as a critical way forward for Kai !Garib Municipality.

The assessment identified a number of key Strategies that must be implemented in the short, medium and long term to address the challenges faced by the municipality and to follow a path of Financial and Service Delivery Recovery and Sustainability. Kai !Garib Municipality has some strategies available to effect the changes needed for sustainability, but not all can be considered due to its limited cash flow and institutional capacity.

Further, and due to the long term nature of some of the strategies, the focus in the short and medium term is to ensure focus on achievable activities that will contribute significantly to the successful implementation of the Financial Recovery Plan. In this way, ensuring that the strategies adopted will have greatest impact in securing the municipality's ability to meet its obligations to provide Basic Services as well as its financial commitment. Key Strategies addressed in the Financial Recovery Plan must all be implemented as this is a holistic and integrated plan.

This Plan including the implementation thereof is critical to achieving the objective of Financial and Service Delivery Sustainability. Further, the following overarching strategies to address the challenges faced by the municipality are contained in the Plan and are outlined below:

- Strengthen Governance;
- Organisational Restructuring;
- Human Resource Management;
- Re-structuring of the Budget;
- Improve Financial Sustainability and Administration
- Improved Cash-Flow Management;
- Improved Control Environment; and
- Infrastructure and Service Delivery improvements.

Finally, and to ensure successful outcomes and turnaround of the Municipality, all key deliverables and outputs that are contained in the Financial Recovery Plan must form part of the Integrated Development Plan, Budgets and Performance Agreements of the Municipality to ensure implementation.

Legal requirements:

The Local Government Municipal Finance Management Act, 2003, Chapter 4, and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009 requires that the Budget comply with the following legislation:

Annual budgets

16. (1) The council of a municipality must for each financial year approve an annual budget for the municipality before the start of that financial year.

(2) In order for a municipality to comply with subsection (1), the mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year.

(3) Subsection (1) does not preclude the appropriation of money for capital expenditure for a period not exceeding three financial years, provided a separate appropriation is made for each of those financial years.

Contents of annual budgets and supporting documents

17. (1) An annual budget of a municipality must be a schedule in the prescribed format—

(a) setting out realistically anticipated revenue for the budget year from each revenue source;

(b) appropriating expenditure for the budget year under the different votes of the municipality;

(c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;

(d) setting out—

(i) estimated revenue and expenditure by vote for the current year; and

(ii) actual revenue and expenditure by vote for the financial year preceding the current year; and

(e) a statement containing any other information required by section 215(3) of the Constitution or as may be prescribed.

(2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.

(3) When an annual budget is tabled in terms of section 16(2), it must be accompanied by the following documents:

(a) Draft resolutions—

(i) approving the budget of the municipality;

(ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year; and

(iii) approving any other matter that may be prescribed;

- (b) measurable performance objectives for revenue from each source and for each vote in the budget, taking into account the municipality's integrated development plan;*
- (c) a projection of cash flow for the budget year by revenue source, broken down per month;*
- (d) any proposed amendments to the municipality's integrated development plan following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;*
- (e) any proposed amendments to the budget-related policies of the municipality;*
- (f) particulars of the municipality's investments;*
- (g) any prescribed budget information on municipal entities under the sole or shared control of the municipality;*
- (h) particulars of all proposed new municipal entities which the municipality intends to establish or in which the municipality intends to participate;*
- (i) particulars of any proposed service delivery agreements, including material amendments to existing service delivery agreements;*
- (j) particulars of any proposed allocations or grants by the municipality to—*
 - (i) other municipalities;*
 - (ii) any municipal entities and other external mechanisms assisting the municipality in the exercise of its functions or powers;*
 - (iii) any other organs of state;*
 - (iv) any organisations or bodies referred to in section 67(1);*
- (k) the proposed cost to the municipality for the budget year of the salary, allowances and benefits of—*
 - (i) each political office-bearer of the municipality;*
 - (ii) councillors of the municipality; and*
 - (iii) the municipal manager, the chief financial officer, each senior manager of the municipality and any other official of the municipality having a remuneration package greater than or equal to that of a senior manager;*
- (l) the proposed cost for the budget year to a municipal entity under the sole or shared control of the municipality of the salary, allowances and benefits of—*
 - (i) each member of the entity's board of directors; and*
 - (ii) the chief executive officer and each senior manager of the entity; and*
- (m) any other supporting documentation as may be prescribed.*

Section 2 - Budget Related Resolutions

ORIGINAL BUDGET 2019/20

The resolution tabled at Council for consideration with approval of the original budget for 2019/20 is:

RECOMMENDATION:

It is recommended:

- 1) that the Council approves the Original Budget for the MTREF 2019/20
- 2) That the Directors put control measures in place to prevent any over-expenditure on the Operational and Capital Budget
- 3) That the Service Delivery Budget and Implementation Plan (SDBIP) be adjusted accordingly and approved in line with the legislative requirements
- 4) That the Council take note of contents in the 2019/20 original budget and budget tables as set out in the schedules contained in Section 4:

- | | |
|-------------|--|
| a. Table A1 | 2019/20 Budget Summary |
| b. Table A2 | 2019/20 Budget Financial Performance (Standard Classification) |
| c. Table A3 | 2019/20 Budget Financial Performance (Revenue & Expenditure by Municipal Vote) |
| d. Table A4 | 2019/20 Budget Financial Performance (Revenue & Expenditure) |
| e. Table A5 | 2019/20 Capital Expenditure Budget by Vote and Funding |
| f. Table A6 | 2019/20 Budget Financial Position |

- 5) That the Budget of KAI !GARIB Municipality for the MTREF 2019/20 as set out in the summary be approved:

(i)	Total Revenue	R263 160 mil
(ii)	Total Expenditure	R259 901 mil
(iii)	Total Capital budget	R 34 554 mil

Section 3 - Executive Summary

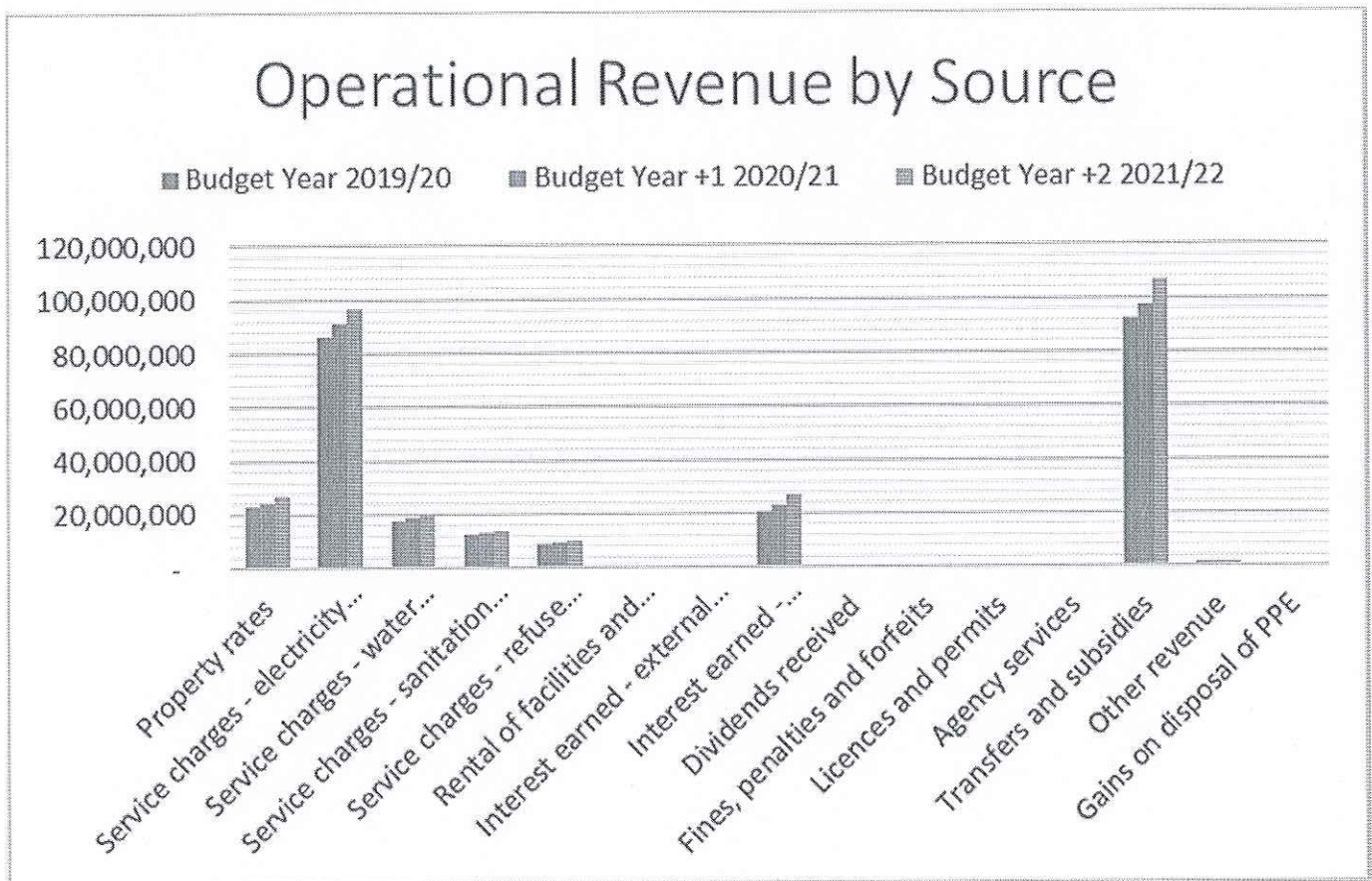
Introduction

The budget tabled compiled within the formats prescribed in the new Budget Regulations.

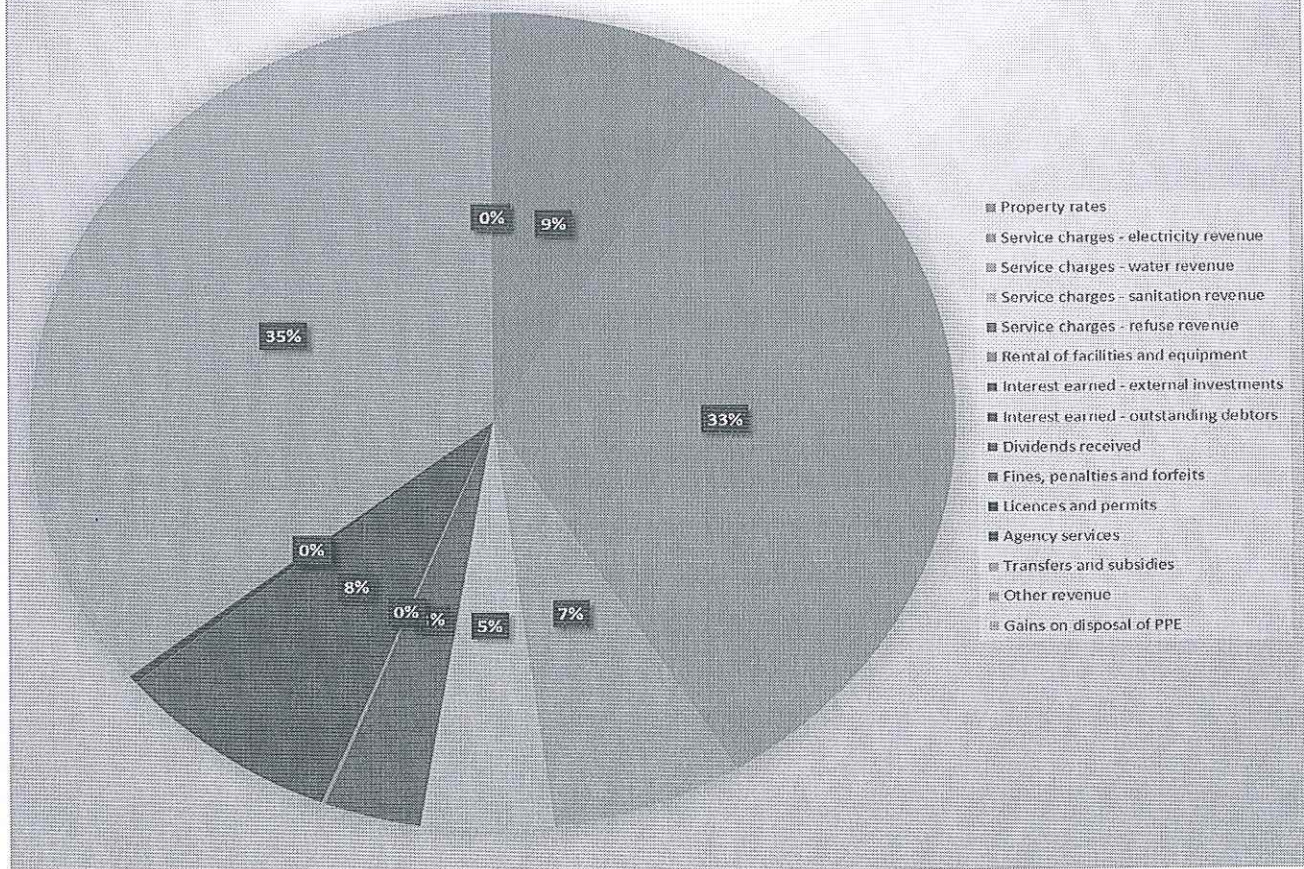
The main components proposed in this budget are as follows:

Operating Budget

Operating Revenue



Revenue by Source - Budget Year 2019/20



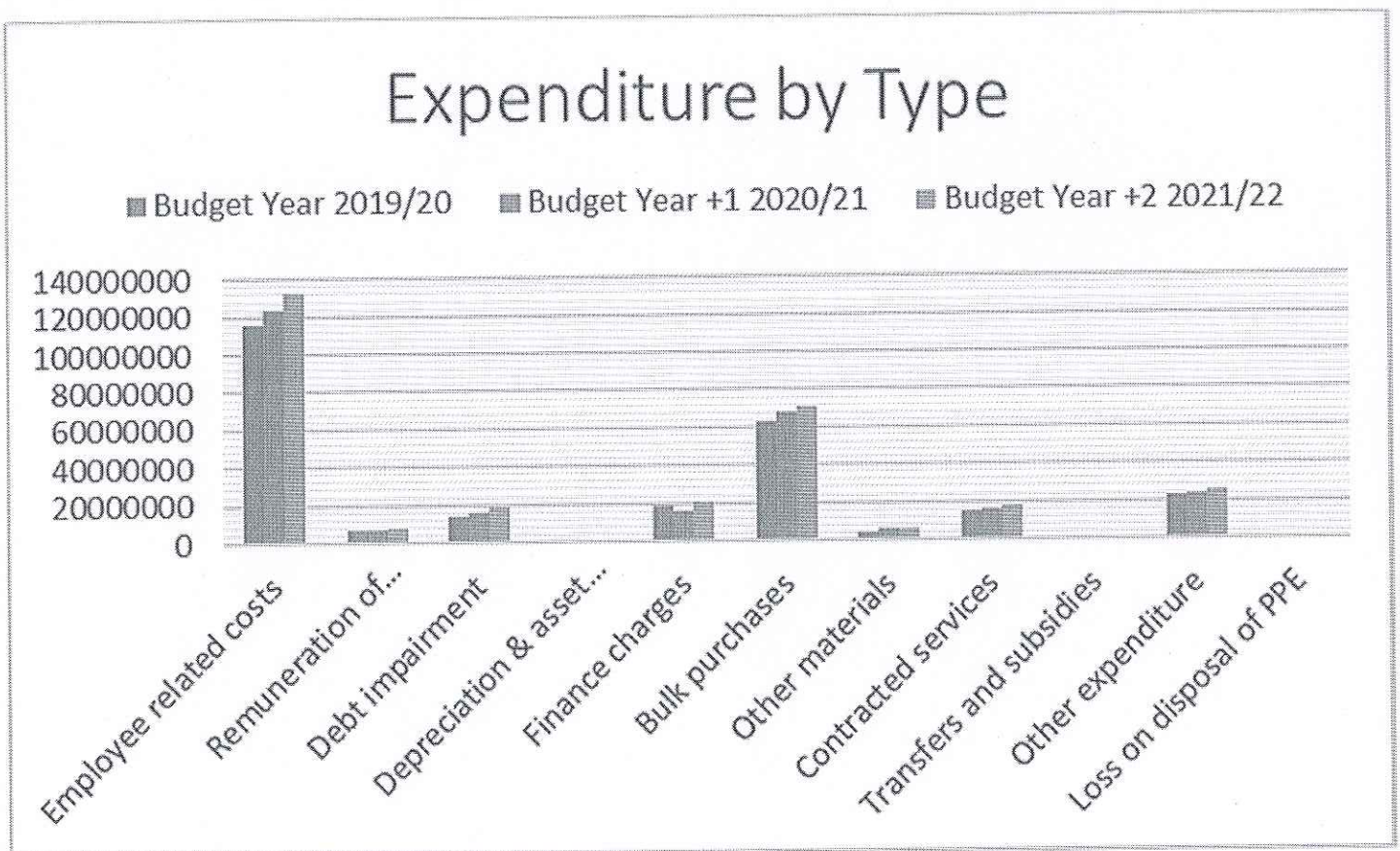
1) Total operational revenue budget amounting to R 263 160 million.

The income comprises of:

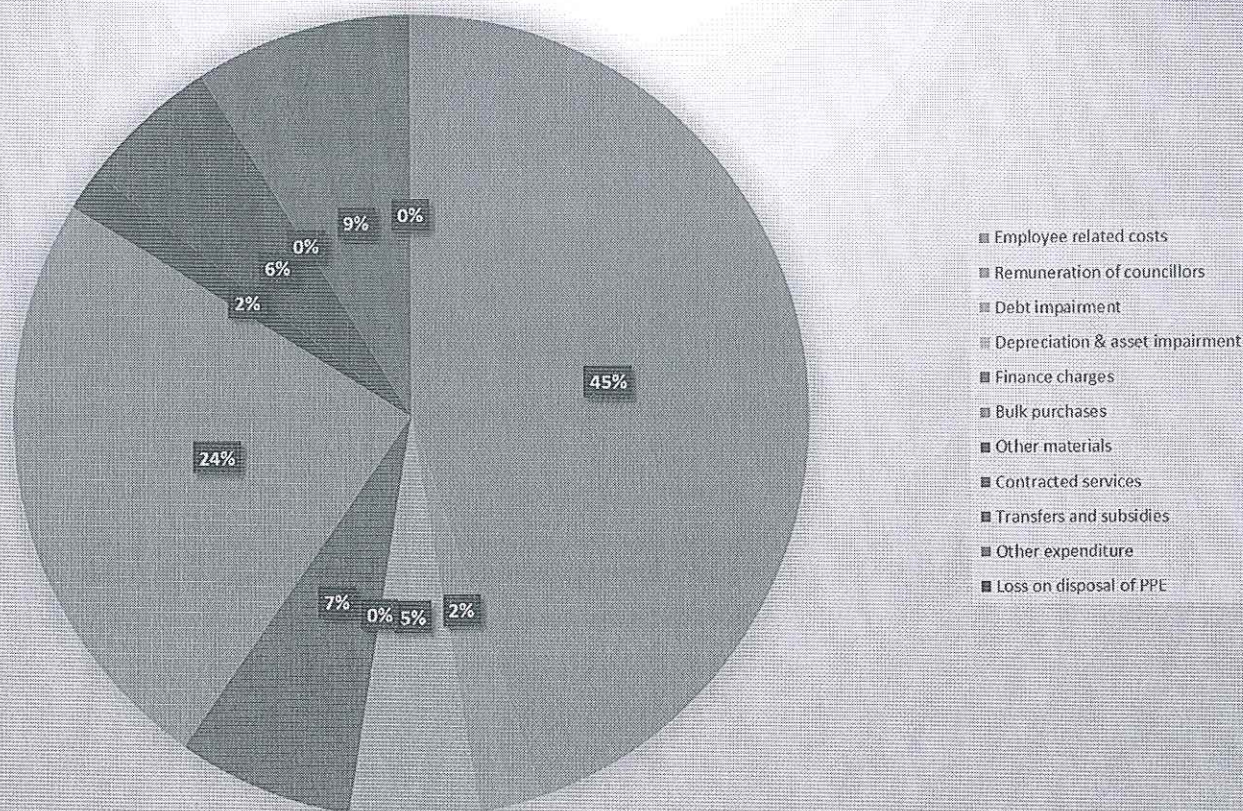
- a. Property Rates – Annual budget for 2019/20 amounts to R22 740 mil.
- b. Service Charges (Electricity, Water, Sanitation & Refuse) amounts to R124 640 mil. Forecasting based on the actual consumption of the previous financial years. With mSCOA, the classification of Connection and Re-connection fees is now part of Service Charges and no longer other revenue.
- c. Rental of facilities and equipment amounts to R385 000. Forecasting based on the actual revenue collected in the last 12 months.
- d. Interest earned – external investments. Due to the current cash flow situation the municipality had to withdraw from the existing external investments, hence the budget of R217 000.
- e. Interest earned – outstanding debtors. A debt collection unit has been established and is functioning effectively, the interest charged on outstanding debtors is budgeted at R20 738 mil.
- f. Fines and penalties budgeted at R62 000 and is based on actual revenue received for the 2018/2019 financial year.

- g. Licenses & Permits – The function of renewing of vehicle licenses was moved to the Post Office, hence the budgeted amount of R670 000.
- h. Agency Fees - budgeted at R210 000.00
- i. Other Revenue – With mSCOA, the classification of Connection and Re-connection fees that is now part of Service Charges and no longer other revenue which reduced other revenue to a budgeted amount of with R1 100 000.
- j. Operational Grants budgeted at R92 399 mil is based on the allocations within the Division of Revenue Bill of 8 February 2019.

Operating Expenditure



Operational Expenditure - Budget Year 2019/20



2) Total operational expenditure budget amounting to R 259 901 million.

The expenditure comprises of:

- Employee related cost budget of R116 165 mil. There were only budgeted for warm bodies currently employed at the municipality plus critical posts needed.
- Remuneration of councillor's is budgeted at R6 728 mil with the gazetted increase of councillor's remuneration and upper limits taken into account.
- Debt impairment budgeted at R13 811 mil. Due to lack of payments by consumers on their outstanding accounts this amount is unavoidable. Management should insure that the established debt collection is functioning effectively during the financial year.
- Finance charges budgeted at R18 625 mil. Due to signed re-payment and debt acknowledgement agreements with some of our mayor creditors, interest in not charged on arrear accounts.
- Bulk purchases budgeted at R62 522 mil. Eskom is the main contributor to the bulk purchases budgeted amount.
- Repairs and maintenance are budgeted for to an amount of R4 218 mil. The condition of the municipality's assets contributed to the budgeted amount.
- Contracted services are budgeted for to an amount of R14 876 mil.
- Other expenditure is budgeted for to an amount of R22 955 mil.

Capital Budget

The municipality budgeted for planned capital expenditure R34 554 mil. The capital budget consists of projects funded by the municipality's grant allocations.

MIG – R21 295 mil

WSIG – R10 mil

INTERNAL FUNDS – R3 259 mil

Section 4 - Budget Tables

Table A1 2019/20 Budget Summary

NC082 IKail Garib - Table A1 Budget Summary										
Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance										
Property rates	15,556	12,545	17,449	22,580	17,992	(241)	17,968	22,739	24,104	26,632
Service charges	96,992	87,223	93,708	115,472	113,442	(5,042)	72,864	124,640	132,214	140,249
Investment revenue	201	241	205	28	250	(682)	200	217	225	232
Transfers recognised - operational	52,996	59,271	68,567	82,250	83,050	3,949	59,105	92,399	97,504	106,369
Other own revenue	13,749	20,970	19,566	11,402	19,276	(6,619)	13,902	23,165	25,458	29,716
Total Revenue (excluding capital transfers and contributions)	179,494	180,250	199,495	231,732	234,010	(8,634)	164,038	263,160	279,505	303,199
Employee costs	92,662	97,331	105,732	101,837	106,574	(46,433)	75,079	116,165	124,018	132,554
Remuneration of councillors	5,651	6,040	6,586	7,009	7,005	1,449	4,399	6,728	7,074	7,595
Depreciation & asset impairment	35,801	38,667	32,451	3,166	-	154	-	-	-	-
Finance charges	11,940	30,798	32,696	1,590	10,149	245	6,906	18,625	15,797	20,224
Materials and bulk purchases	52,429	61,759	58,289	65,242	64,979	266	24,455	66,740	73,073	77,314
Transfers and grants	11,310	16,808	155	-	-	6,304	9,311	-	-	-
Other expenditure	52,476	57,553	50,843	52,387	39,724	(1,766)	31,484	51,642	55,935	61,681
Total Expenditure	262,269	308,957	286,752	231,232	228,432	(39,781)	151,635	259,901	275,898	299,368
Surplus/(Deficit)	(82,776)	(128,707)	(87,257)	500	5,578	31,147	12,403	3,259	3,608	3,831
Transfers and subsidies - capital (monetary allocations) (Na	21,294	29,025	27,033	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587
Capital expenditure & funds sources										
Capital expenditure	21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587
Transfers recognised - capital	21,294	29,025	27,033	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	521	31,377	37,018	500	5,578	9,409	(1,405)	3,259	3,608	3,831
Total sources of capital funds	21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587
Financial position										
Total current assets	66,610	35,851	42,698	57,487	38,974	65,013	74,972	45,025	47,177	49,740
Total non current assets	765,288	765,220	770,862	836,853	782,378	384,955	782,659	778,954	786,440	796,799
Total current liabilities	175,556	241,623	301,110	231,714	321,162	100,106	316,114	323,117	291,063	248,134
Total non current liabilities	70,012	79,771	92,995	85,069	94,979	(359)	92,995	97,955	102,960	107,831
Community wealth/Equity	586,330	479,678	419,454	577,557	405,211	350,221	448,522	402,907	439,594	490,573
Cash flows										
Net cash from (used) operating	21,705	(62,253)	147	29,601	31,512	(53,996)	89,348	31,295	36,339	50,756
Net cash from (used) investing	(20,250)	(50,589)	(102,921)	(26,434)	(31,270)	(670,688)	(50,902)	-	-	-
Net cash from (used) financing	(2,415)	6,336	10,157	-	-	(26,032)	(3,966)	-	-	-
Cash/cash equivalents at the year end	(494)	(105,692)	(92,082)	3,167	242	(750,842)	34,355	31,442	67,781	118,537
Cash backing/surplus reconciliation										
Cash and investments available	1,204	919	255	1,607	823	9,355	562	539	490	431
Application of cash and investments	100,959	204,134	254,184	162,571	264,554	(57,288)	241,477	276,619	238,730	190,801
Balance - surplus (shortfall)	(99,755)	(203,216)	(253,929)	(160,964)	(263,731)	66,643	(240,915)	(276,080)	(238,240)	(190,370)
Asset management										
Asset register summary (WDV)	-	-	-	832,634	-	-	-	-	-	-
Depreciation	35,801	38,667	32,451	3,166	-	154	154	-	-	-
Renewal and Upgrading of Existing Assets	8,075	5,491	19,016	20,934	22,829	11,608	11,608	-	-	-
Repairs and Maintenance	1,559	4,220	3,981	6,586	7,829	266	266	4,218	5,487	6,213
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	4,403	2,210	3,210	-	3,450	331	231	231	245	152
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Table A2

2019/20 Budget Financial Performance (Standard Classification)

NC082 IKai! Garib - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue - Functional										
<i>Governance and administration</i>		79,266	89,383	101,217	111,023	123,612	(909)	99,139	105,476	115,842
Executive and council		0	3,852	3,992	4,185	4,185	4,185	4,328	4,533	4,750
Finance and administration		79,266	85,531	97,225	106,838	119,427	(5,094)	94,811	100,943	111,092
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,144	3,313	2,056	1,521	876	(1,383)	1,815	1,852	1,945
Community and social services		1,501	1,488	1,088	43	838	(776)	935	935	1,000
Sport and recreation		1	66	-	38	38	(13)	-	-	-
Public safety		1,641	1,759	968	1,440	-	(594)	880	917	945
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		19,549	24,035	1,966	22,074	22,119	(1)	22,416	23,467	24,979
Planning and development		19,549	24,025	1,230	22,074	22,119	20	22,416	23,467	24,979
Road transport		-	10	736	-	-	(22)	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		98,829	92,544	121,155	123,048	113,137	(6,445)	171,085	185,049	211,189
Energy sources		71,125	65,565	73,006	77,128	71,075	(4,764)	93,852	102,739	110,709
Water management		14,093	11,363	27,668	19,951	16,820	(1,571)	30,585	31,224	33,560
Waste water management		7,994	9,061	15,437	16,579	16,292	(73)	30,694	34,147	48,714
Waste management		5,618	6,555	5,044	9,390	8,950	(37)	15,954	16,940	18,206
<i>Other</i>	4	-	-	134	-	200	-	-	-	-
Total Revenue - Functional	2	200,788	209,275	226,528	257,666	259,944	(8,738)	294,455	315,844	353,955
Expenditure - Functional										
<i>Governance and administration</i>		120,923	150,623	132,115	70,425	83,676	(36,358)	89,153	94,575	101,558
Executive and council		15,649	17,444	16,237	17,246	17,618	4,210	15,143	15,902	16,960
Finance and administration		104,354	132,198	114,912	51,794	64,490	(40,568)	72,835	77,427	83,276
Internal audit		920	981	966	1,385	1,568	-	1,175	1,246	1,322
<i>Community and public safety</i>		15,255	14,908	12,161	13,851	11,830	(35,607)	13,528	14,504	15,506
Community and social services		10,247	9,676	8,160	7,470	7,831	9,476	8,749	9,407	10,070
Sport and recreation		1,729	1,683	-	1,501	1,501	(45,792)	-	-	-
Public safety		1,912	2,313	2,761	2,698	-	6,533	2,932	3,132	3,345
Housing		957	1,097	1,240	1,249	1,565	(6,262)	1,848	1,965	2,091
Health		410	139	-	934	934	438	-	-	-
<i>Economic and environmental services</i>		16,945	17,819	19,144	11,011	10,179	16,111	18,385	19,618	21,124
Planning and development		7,689	7,816	6,632	11,011	10,401	3,282	7,212	7,691	8,263
Road transport		9,256	10,002	12,512	-	(222)	12,829	11,173	11,928	12,861
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		109,146	125,608	122,524	135,478	122,321	15,338	138,032	146,353	160,275
Energy sources		62,564	64,685	56,789	74,067	67,004	2,306	91,653	95,831	105,423
Water management		24,259	35,114	26,425	21,713	19,119	1,789	19,619	21,493	23,357
Waste water management		8,307	8,561	14,343	27,143	24,744	9,406	14,146	15,321	16,621
Waste management		14,017	17,247	24,967	12,555	11,453	1,837	12,614	13,708	14,873
<i>Other</i>	4	-	-	807	466	425	734	803	847	905
Total Expenditure - Functional	3	262,269	308,957	286,752	231,232	228,432	(39,781)	259,901	275,898	299,368
Surplus/(Deficit) for the year		(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	34,554	39,946	54,587

Table A3

2019/20 Budget Financial Performance (Revenue & Expenditure
by Municipal Vote

NC082 IKail Garib - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Revenue by Vote	1									
Vote 1 - OFFICE OF THE MAYOR AND SPEAKER		0	3,852	3,992	4,185	4,185	4,185	4,328	4,533	4,750
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY OFFICE		79,126	85,267	97,082	98,635	111,270	(4,568)	94,811	100,943	111,092
Vote 4 - CORPORATE SERVICES		-	97	1,964	1,451	2,026	(145)	1,815	1,852	1,945
Vote 5 - TECHNICAL AND ENGINEERING SERVICES		98,946	92,683	121,892	131,152	120,023	(6,561)	171,085	185,049	211,189
Vote 6 - PROPERTIES, PLANNING AND DEVELOPMENT		19,549	24,025	1,599	22,244	22,440	(103)	22,416	23,467	24,979
Vote 7 - COMMUNITY SERVICES (2017)		3,167	3,351	-	-	-	(1,546)	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	200,788	209,275	226,528	257,666	259,944	(8,738)	294,455	315,844	353,955
Expenditure by Vote to be appropriated	1									
Vote 1 - OFFICE OF THE MAYOR AND SPEAKER		10,393	10,043	12,101	14,415	14,614	4,210	11,514	12,174	13,011
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		6,176	8,382	7,737	7,051	7,925	-	8,142	8,513	9,019
Vote 3 - BUDGET AND TREASURY OFFICE		84,705	112,247	91,742	34,870	46,388	(54,422)	53,561	56,871	61,349
Vote 4 - CORPORATE SERVICES		17,548	17,415	25,639	24,166	24,586	18,779	21,598	23,044	24,653
Vote 5 - TECHNICAL AND ENGINEERING SERVICES		130,576	146,375	139,031	139,231	123,731	(12,960)	153,494	162,898	178,057
Vote 6 - PROPERTIES, PLANNING AND DEVELOPMENT		8,297	8,564	10,502	11,499	11,187	(495)	11,593	12,397	13,280
Vote 7 - COMMUNITY SERVICES (2017)		4,574	5,930	-	-	-	5,107	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	262,269	308,957	286,752	231,232	228,432	(39,781)	259,901	275,898	299,368
Surplus/(Deficit) for the year	2	(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	34,554	39,946	54,587

Table A4

2019/20 Budget Financial Performance (Revenue & Expenditure)

NC082 IKail Garib - Table A4 Budgeted Financial Performance (revenue and expenditure)

NC082 I (Kali) Garib - Table A4 Budgeted Financial Performance (Revenue and Expenditure)									2019/20 Medium Term Revenue & Expenditure Framework		
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome			
Revenue By Source											
Property rates	2	15,556	12,545	17,449	22,580	17,992	(241)	17,968	22,739	24,104	26,632
Service charges - electricity revenue	2	69,424	59,060	66,307	77,113	74,205	(4,507)	47,869	85,857	91,104	96,673
Service charges - water revenue	2	14,017	12,595	15,440	18,404	17,787	(534)	11,607	17,627	18,684	19,805
Service charges - sanitation revenue	2	7,994	9,059	6,916	11,564	12,500	—	7,736	12,240	12,974	13,753
Service charges - refuse revenue	2	5,557	6,509	5,044	8,391	8,950	—	5,652	8,916	9,451	10,018
Rental of facilities and equipment		214	266	334	69	318	(1,003)	286	385	410	425
Interest earned - external investments		201	241	205	28	250	(682)	200	217	225	232
Interest earned - outstanding debtors		11,065	15,604	11,808	9,397	17,150	(503)	13,026	20,738	22,888	27,057
Dividends received		—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		117	57	66	52	67	(221)	56	62	68	74
Licences and permits		—	—	—	1,405	1,177	—	—	670	695	710
Agency services		1,263	1,377	207	—	—	—	—	210	222	235
Transfers and subsidies		52,996	59,271	68,567	82,250	83,050	3,949	59,105	92,399	97,504	106,369
Other revenue	2	1,089	3,666	7,150	479	564	(4,891)	534	1,100	1,175	1,215
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		179,494	180,250	199,495	231,732	234,010	(8,634)	164,038	263,160	279,505	303,199
Expenditure By Type											
Employee related costs	2	92,662	97,331	105,732	101,837	106,574	(46,433)	75,079	116,165	124,018	132,554
Remuneration of councillors		5,651	6,040	6,586	7,009	7,005	1,449	4,399	6,728	7,074	7,595
Debt impairment	3	12,199	21,811	6,989	17,617	—	432	—	13,811	15,883	18,265
Depreciation & asset impairment	2	35,801	38,667	32,451	3,166	—	154	—	—	—	—
Finance charges		11,940	30,798	32,696	1,590	10,149	245	6,906	18,625	15,797	20,224
Bulk purchases	2	50,869	57,539	54,308	58,656	57,150	—	20,073	62,522	67,586	71,101
Other materials	8	1,559	4,220	3,981	6,586	7,829	266	4,382	4,218	5,487	6,213
Contracted services		14,565	12,516	16,801	8,590	6,090	1,110	17,173	14,876	16,190	17,816
Transfers and subsidies		11,310	16,808	155	—	—	6,304	9,311	—	—	—
Other expenditure	4, 5	21,541	23,175	24,666	26,180	33,634	(3,288)	14,312	22,955	23,862	25,599
Loss on disposal of PPE		4,171	51	2,387	—	—	(20)	—	—	—	—
Total Expenditure		262,269	308,957	286,752	231,232	228,432	(39,781)	151,635	259,901	275,898	299,368
Surplus/(Deficit)		(82,776)	(128,707)	(87,257)	500	5,578	31,147	12,403	3,259	3,608	3,831
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		21,294	29,025	27,033	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	—	—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind - all)		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions		(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587
Taxation		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after taxation		(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587
Attributable to minorities		—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587
Share of surplus/ (deficit) of associate	7	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) for the year		(61,481)	(99,682)	(60,224)	26,434	31,512	31,044	21,903	34,554	39,946	54,587

Table A5

2019/20 Capital Expenditure Budget by Vote and Funding

NC082 IKail Garib - Table A5 Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand	1										
Single-year expenditure to be appropriated	2										
Vote 1 - OFFICE OF THE MAYOR AND SPEAKER		-	-	-	500	535	-	-	750	-	-
Vote 2 - OFFICE OF THE MUNICIPAL MANAGER		-	-	-	-	51	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY OFFICE		-	-	-	-	81	-	-	2,509	3,608	3,831
Vote 4 - CORPORATE SERVICES		-	-	-	-	158	-	-	-	-	-
Vote 5 - TECHNICAL AND ENGINEERING SERVICES		-	-	-	25,934	29,323	-	-	31,295	36,339	50,756
Vote 6 - PROPERTIES, PLANNING AND DEVELOPMENT		21,815	60,402	64,051	-	1,364	9,306	8,095	-	-	-
Vote 7 - COMMUNITY SERVICES (2017)		-	-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587
Total Capital Expenditure - Vote		21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587
Capital Expenditure - Functional											
<i>Governance and administration</i>		13,740	52,379	55,910	500	824	-	40	3,259	3,608	3,831
Executive and council		-	-	11	500	535	-	29	750	-	-
Finance and administration		13,740	52,379	55,899	-	289	-	-	2,509	3,608	3,831
Internal audit		-	-	-	-	-	-	12	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	1,282	-	-	-	-
Community and social services		-	-	-	-	-	1,282	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		51	-	118	-	1,364	-	32	-	-	-
Planning and development		51	-	43	-	1,364	-	-	-	-	-
Road transport		-	-	75	-	-	-	32	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		8,024	8,024	8,024	25,934	29,291	8,024	8,024	31,295	36,339	50,756
Energy sources		-	-	-	-	2,977	-	-	-	1,920	2,026
Water management		8,024	8,024	8,024	20,934	20,934	8,024	8,024	21,295	22,294	23,730
Waste water management		-	-	-	5,000	5,000	-	-	10,000	12,125	25,000
Waste management		-	-	-	-	380	-	-	-	-	-
Other		-	-	-	-	32	-	-	-	-	-
Total Capital Expenditure - Functional	3	21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587
Funded by:											
National Government		21,294	29,025	27,033	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	21,294	29,025	27,033	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		521	31,377	37,018	500	5,578	9,409	(1,405)	3,259	3,608	3,831
Total Capital Funding	7	21,815	60,402	64,051	26,434	31,512	9,306	8,095	34,554	39,946	54,587

Table A6

2019/20 Budget Financial Position

NC082 IKail Garib - Table A6 Budgeted Financial Position											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
ASSETS											
Current assets											
Cash		590	511	80	1,607	823	(806)	(2,606)	147	183	212
Call investment deposits	1	614	407	384	—	—	10,162	3,168	392	307	219
Consumer debtors	1	59,837	28,824	39,899	52,793	35,410	49,862	72,075	41,873	44,019	46,703
Other debtors		283	67	67	—	—	5,670	67	67	67	67
Current portion of long-term receivables		2,323	1,081	1,503	2,100	1,755	—	1,503	1,703	1,699	1,587
Inventory	2	2,963	4,959	765	987	987	126	765	843	902	952
Total current assets		66,610	35,851	42,698	57,487	38,974	65,013	74,972	45,025	47,177	49,740
Non current assets											
Long-term receivables		1,604	731	1,082	4,219	4,733	—	1,295	1,208	1,473	1,584
Investments		—	—	—	—	—	—	—	—	—	—
Investment property		1,417	1,505	1,524	1,580	1,620	172	1,524	1,550	1,587	1,602
Investment in Associate		—	—	—	—	—	—	—	—	—	—
Property, plant and equipment	3	761,952	762,608	768,000	830,644	775,773	383,236	779,558	775,908	783,078	793,304
Biological		—	—	—	—	—	—	—	—	—	—
Intangible		315	376	257	410	252	1,547	282	288	302	309
Other non-current assets		—	0	0	—	—	—	0	—	—	—
Total non current assets		765,288	765,220	770,862	836,853	782,378	384,955	782,659	778,954	786,440	796,799
TOTAL ASSETS		831,898	801,071	813,560	894,340	821,352	449,969	857,631	823,979	833,617	846,539
LIABILITIES											
Current liabilities											
Bank overdraft	1	—	—	209	—	—	—	—	—	—	—
Borrowing	4	6,474	8,090	11,471	4,180	11,345	(20)	11,220	11,861	12,470	12,940
Consumer deposits		1,667	1,735	1,773	1,910	1,760	—	1,854	1,816	1,842	1,868
Trade and other payables	4	161,651	227,391	282,294	219,237	303,316	100,126	297,675	303,470	270,271	226,325
Provisions		5,765	4,407	5,364	6,387	4,741	—	5,364	5,970	6,480	7,001
Total current liabilities		175,556	241,623	301,110	231,714	321,162	100,106	316,114	323,117	291,063	248,134
Non current liabilities											
Borrowing		3,666	6,996	10,224	7,580	8,638	(250)	10,224	11,008	10,473	9,470
Provisions		66,346	72,775	82,772	77,489	86,341	(109)	82,772	86,947	92,487	98,361
Total non current liabilities		70,012	79,771	92,995	85,069	94,979	(359)	92,995	97,955	102,960	107,831
TOTAL LIABILITIES		245,568	321,393	394,106	316,783	416,141	99,747	409,109	421,072	394,023	355,965
NET ASSETS	5	586,330	479,678	419,454	577,557	405,211	350,221	448,522	402,907	439,594	490,573
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		586,330	479,678	419,454	577,557	405,211	350,221	448,522	402,907	439,594	490,573
Reserves	4	—	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	5	586,330	479,678	419,454	577,557	405,211	350,221	448,522	402,907	439,594	490,573

Table A7

2019/20 Budget Cash Flows

NC082 IKail Garib - Table A7 Budgeted Cash Flows											
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Properly rates		15,556	17,144	17,449	22,580	17,992	(261)	17,968	22,739	24,104	26,632
Service charges		94,797	99,998	105,283	114,356	111,821	(27,092)	72,864	119,856	127,048	134,670
Other revenue		2,356	5,366	985	2,207	2,249	(6,382)	880	2,427	2,570	2,659
Government - operating	1	52,996	59,271	67,498	82,250	83,050	3,949	59,105	92,399	97,504	106,369
Government - capital	1	21,294	29,025	35,744	25,934	25,934	(103)	9,500	31,295	36,339	50,756
Interest		11,266	15,867	11,985	9,425	17,400	(1,186)	13,226	20,955	23,113	27,289
Dividends		-	-	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(153,343)	(241,431)	(206,774)	(224,662)	(205,862)	(16,372)	(67,978)	(239,751)	(258,542)	(277,396)
Finance charges		(11,934)	(30,684)	(20,081)	(1,590)	(10,149)	(245)	(6,906)	(18,625)	(15,797)	(20,224)
Transfers and Grants	1	(11,283)	(16,808)	(11,942)	(900)	(10,922)	(6,304)	(9,311)	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		21,705	(62,253)	147	29,601	31,512	(53,996)	89,348	31,295	36,339	50,756
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		2,373	7,476	(6,942)	-	-	(1,676)	5,920	-	-	-
Decrease (Increase) in non-current debtors		(1,074)	670	(3,680)	-	-	4,614	3,320	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	0	-	-	-	-
Decrease (increase) in non-current investments		266	7	4	-	-	11,607	(3)	-	-	-
Payments											
Capital assets		(21,815)	(58,742)	(92,303)	(26,434)	(31,270)	(685,234)	(60,138)	-	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20,250)	(50,589)	(102,921)	(26,434)	(31,270)	(670,688)	(50,902)	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		(1,521)	1,107	1,215	-	-	-	(1,503)	-	-	-
Borrowing long term/refinancing		2,630	5,161	8,904	-	-	-	529	-	-	-
Increase (decrease) in consumer deposits		38	68	38	-	-	(1,773)	81	-	-	-
Payments											
Repayment of borrowing		(3,562)	-	-	-	-	(24,259)	(3,073)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2,415)	6,336	10,157	-	-	(26,032)	(3,966)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(960)	(106,505)	(92,617)	3,167	242	(750,716)	34,480	31,295	36,339	50,756
Cash/cash equivalents at the year begin:	2	467	813	535	-	-	(125)	(125)	147	31,442	67,781
Cash/cash equivalents at the year end:	2	(494)	(105,692)	(92,082)	3,167	242	(750,842)	34,355	31,442	67,781	118,537

Table A8
Reconciliation

2019/20 Cash Backed Reserves/Accumulated Surplus

NC082 !Kai! Garib - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	(494)	(105,692)	(92,082)	3,167	242	(750,842)	34,355	31,442	67,781	118,537
Other current investments > 90 days		1,698	106,611	92,337	(1,559)	581	760,197	(33,793)	(30,903)	(67,291)	(118,106)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		1,204	919	255	1,607	823	9,355	562	539	490	431
Application of cash and investments											
Unspent conditional transfers		164	-	7,642	-	-	-	7,642	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	100,796	204,134	246,542	162,571	264,554	(57,288)	233,835	276,619	238,730	190,801
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		100,959	204,134	254,184	162,571	264,554	(57,288)	241,477	276,619	238,730	190,801
Surplus(shortfall)		(99,755)	(203,216)	(253,929)	(160,964)	(263,731)	66,643	(240,915)	(276,080)	(238,240)	(190,370)

Table A9

2019/20 Asset Management

NC082 IKail Garib - Table A9 Asset Management										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total New Assets	1	-	872	17,245	5,000	7,327	31,223	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	872	12,235	-	2,977	27,389	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	5,010	5,000	4,350	3,834	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	872	17,245	5,000	7,327	31,223	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-

NC082 IKail Garib - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
CAPITAL EXPENDITURE										
Total Upgrading of Existing Assets	6	8,075	5,491	19,016	20,934	22,829	11,608	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		8,075	5,491	19,016	20,934	22,829	11,608	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		8,075	5,491	19,016	20,934	22,829	11,608	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	8,075	6,363	36,261	25,934	30,156	42,832	-	-	-
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	872	12,235	-	2,977	27,389	-	-	-
Water Supply Infrastructure		8,075	5,491	19,016	20,934	22,829	11,608	-	-	-
Sanitation Infrastructure		-	-	5,010	5,000	4,350	3,834	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure		8,075	6,363	36,261	25,934	30,156	42,832	-	-	-
Community Facilities		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Community Assets		-	-	-	-	-	-	-	-	-
Heritage Assets		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Other Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
Machinery and Equipment		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		8,075	6,363	36,261	25,934	30,156	42,832	-	-	-

NC082 IKail Garib - Table A9 Asset Management

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousand										
CAPITAL EXPENDITURE										
ASSET REGISTER SUMMARY - PPE (WDV)	5	–	–	–	832,634	–	–	–	–	–
Roads Infrastructure					165,233					
Storm water Infrastructure										
Electrical Infrastructure					88,373					
Water Supply Infrastructure					278,964					
Sanitation Infrastructure					53,316					
Solid Waste Infrastructure					–					
Rail Infrastructure										
Coastal Infrastructure										
Information and Communication Infrastructure					1,951					
Infrastructure		–	–	–	587,837	–	–	–	–	–
Community Assets					15,862					
Heritage Assets										
Investment properties					1,580					
Other Assets										
Biological or Cultivated Assets										
Intangible Assets					410					
Computer Equipment										
Furniture and Office Equipment										
Machinery and Equipment					226,945					
Transport Assets										
Land										
Zoo's, Marine and Non-biological Animals										
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	–	–	–	832,634	–	–	–	–	–
EXPENDITURE OTHER ITEMS		37,361	42,886	36,432	9,753	7,829	419	4,218	5,487	6,213
Depreciation	7	35,801	38,667	32,451	3,166	–	154	–	–	–
Repairs and Maintenance by Asset Class	3	1,559	4,220	3,981	6,586	7,829	266	4,218	5,487	6,213
Roads Infrastructure		1,505	3,985	2,561	4,825	6,596	(4,572)	4,218	5,487	6,213
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		24	202	110	110	50	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Infrastructure		1,529	4,187	2,671	4,935	6,646	(4,572)	4,218	5,487	6,213
Community Facilities		–	–	–	–	–	–	–	–	–
Sport and Recreation Facilities		–	–	–	–	–	–	–	–	–
Community Assets		–	–	–	–	–	–	–	–	–
Heritage Assets		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Operational Buildings		–	–	682	500	860	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Other Assets		–	–	682	500	860	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		–	–	–	–	–	–	–	–	–
Intangible Assets		–	–	–	–	–	–	–	–	–
Computer Equipment		–	–	87	90	10	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–	–	–	–	–
Machinery and Equipment		–	–	–	–	–	–	–	–	–
Transport Assets		30	32	541	1,061	313	4,838	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
TOTAL EXPENDITURE OTHER ITEMS		37,361	42,886	36,432	9,753	7,829	419	4,218	5,487	6,213
Renewal and upgrading of Existing Assets as % of total capex		100.0%	86.3%	52.4%	80.7%	75.7%	27.1%	0.0%	0.0%	0.0%
Renewal and upgrading of Existing Assets as % of deprecn		22.6%	14.2%	58.6%	661.1%	0.0%	7548.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		0.2%	0.6%	0.5%	0.8%	1.0%	0.1%	0.5%	0.7%	0.8%
Renewal and upgrading and R&M as a % of PPE		0.0%	0.0%	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Table A10

2019/20 Asset Management

NC082 IKail Garib - Table A10 Basic service delivery measurement										
Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Household service targets	1									
Water:										
Piped water inside dwelling		-	-	-	-	-	-	-	-	-
Piped water inside yard (but not in dwelling)		-	-	-	-	-	-	-	-	-
Using public tap (at least min.service level)	2	-	-	-	-	-	-	-	-	-
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	-	-	-	-	-	-	-	-	-
No water supply		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-
Flush toilet (with septic tank)		-	-	-	-	-	-	-	-	-
Chemical toilet		-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Bucket toilet		-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Energy:										
Electricity (at least min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (min.service level)		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min.service level)		-	-	-	-	-	-	-	-	-
Other energy sources		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week		-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		-	-	-	-	-	-	-	-	-
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitre per household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settler	8									
Water (6 kilolitre per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Informal Formal Settler										
Total cost of FBS provided		-	-	-	-	-	-	-	-	-
Highest level of free service provided per household										
Property rates (R value threshold)										
Water (kilolitre per household per month)										
Sanitation (kilolitre per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (Impermissible values per section 17 of MPRA)										
Impermissible values in excess of section 17 of MPRA)		4,403	2,210	3,210	-	3,450	331	231	245	152
Water (in excess of 6 kilolitre per indigent household per month)		-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)		-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - btp structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		4,403	2,210	3,210	-	3,450	331	231	245	152

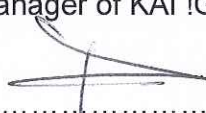
Section 5 - Capital Budget Item List

Project Title	Budget for 2019_2020
Eenduin/ Loxtonvale: Upgrading of Water Purification System and Distribution Network	409,460
Ward 10: Provision of High Mast Ligthing (10)	170,000
Kakamas: Cemetery Feasibility Study	-
Lutzburg: Cemetery Feasibility Study	-
Marchand: Cemetery Feasibility Study	-
Currieskamp: Upgrading of Water Purification System and Distribution Network	6,843,850
Alheit: Construction of New Cemetery	3,408,294
Kakamas: Construction of New Cemetery	4,463,596
Lutzburg: Construction of New Cemetery	2,500,000
Marchand: Construction of New Cemetery	1,500,000
Ward 8: Provision of High Mast Ligthing (10)	2,000,000
	21,295,200

Section 6 - Municipal Manager's quality certification

I, _____, Acting Municipal Manager of KAI !GARIB Municipality, hereby certify that the budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the budget and supporting documents are consistent with the Integrated Development Plan of the Municipality.

Municipal Manager of KAI !GARIB Municipality (NC082)

Signature

Date